

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2577 - SB 2691

March 2, 2020

SUMMARY OF BILL: Expands the professions defined as public safety employees, to include law enforcement officers, 911 dispatchers, and volunteer firefighters with regards to the Tennessee Public Safety Behavioral Health Act (Act), thereby requiring that such professions receive, in addition to any other additional behavioral or mental health benefits offered through workers' compensation coverage, at least ten sessions with a mental health service provider to treat Post Traumatic Stress Disorder (PTSD). In addition, requires that these services are provided to part-time public safety employees.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures – Exceeds \$17,895,200*

Assumptions:

- Currently, under the State and Local Government benefit plans administered by the Department of Finance and Administration, five Employee Assistance Program (EAP) services per episode are offered at no cost to employees participating in the state's health insurance plan. In addition, employees participating in the state's health insurance plan have access to medical behavioral health treatments. This analysis assumes any impact to state government resulting from providing 10 PTSD counseling sessions to public safety employees participating in the state's plan is not significant.
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- Public safety employers will require a co-pay or co-insurance payment of at least \$45 for the provision of PTSD services.
- The average cost per counseling session is estimated to be \$75.
- Based on information previously provided by the Department of Commerce and Insurance (DCI), there are approximately 20,000 law enforcement officers and approximately 1,700 911 dispatchers in Tennessee.
- According to information provided by the State Fire Marshal's Office (SFMO), the number of volunteer firefighters in Tennessee is estimated to be 15,381.
- For purposes of this analysis, it is assumed that part-time public safety employees will not utilize the behavioral health services offered by this legislation.
- Ten percent of these public safety employees will utilize PTSD counseling services.
- The precise number of local government public safety employers participating in the state's health insurance plan, the number of public safety employers currently offering

less than 10 sessions for PTSD, and the number of public safety employers currently not offering services for PTSD are unknown; however, it is reasonable to estimate that at least 10 percent of public safety employers will be required to pay for 10 PTSD counseling sessions currently not available to public safety employees.

- The mandatory recurring increase in local expenditures is estimated to exceed \$111,243 $\{[(20,000 + 1,700 + 15,381) \times 10\% \times (\$75 \text{ cost} - \$45 \text{ copay}) \times 10 \text{ sessions}] \times 10\%\}$.
 - Of the 3,708 public service employees estimate to be diagnosed with PTSD $[(20,000 + 1,700 + 15,381) \times 10\%]$, at least at least 10 percent would file for workers' compensation. Therefore, at least 741 $(3,708 \times 20\%)$ will file for workers' compensation.
 - The mandatory recurring increase in local government expenditures is estimated to exceed \$17,784,000 (741 minimum public safety workers x \$24,000 average claim).
 - Based on information provided by the Bureau of Workers' Compensation (BWC), it is estimated that any increase in claims for public safety workers diagnosed with PTSD, can accommodated within the Bureau's existing staff and resources without any increase in expenditures.
 - Based on information provided by the Department of Mental Health and Substance Abuse Services and the Department of Health, the provisions of this legislation will not significantly impact the departments.
- The total mandatory recurring increase in local expenditures in FY20-21 and subsequent years is estimated to be \$17,895,243 $(\$111,243 + \$17,784,000)$.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumption:

- This legislation is estimated to have no significant impact on commerce or jobs in this state.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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